BARINGS LIQUIDITY INVESTMENT STRATEGY

ARSN 677 446 034

BARINGS

INVESTMENT OBJECTIVE AND STRATEGY

The investment objective of Barings Liquidity Investment Strategy ('BLIS') is to generate floating rate investment returns that exceed the RBA Overnight Cash Rate plus 1.50% to 2.00% (net of fees and costs) over rolling 12-month periods. BLIS is designed for investors seeking a strategy with a focus on capital preservation, above cash returns and an ability to actively manage their liquidity allocation.

Capital Stability[1]	Liquidity Management	Higher Income Potential
An actively managed portfolio of highly-rated, floating-rate, securitised assets, which have shown capital stability historically.	Aims to provide unitholders with quick access to their capital, with withdrawal proceeds generally available within five business days.	Aims to distribute quarterly income above the potential returns available on traditional cash products.[2]

FUND PERFORMANCE

LATEST RETURN (%)

	1 Mth	3 Mth	6 Mth	1 Yr	3 Yr	Incept[5]
Gross return (before fees)	0.54	1.73	2.99	5.79	–	6.36
Net return (after fees)[3]	0.49	1.59	2.71	5.20	–	5.73
Excess Return (after fees)[4]	0.12	0.49	0.55	1.18	–	1.60

MONTHLY NET RETURNS (AFTER FEES) (%)

Financial Yr	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	YTD
2026–27	0.62	0.49											1.11
2025–26	0.80	0.46	0.48	0.39	0.37	0.38	0.41	0.37	0.16	0.46	0.48	0.47	5.36
2024–25	–	0.34[6]	0.36	0.70	0.45	0.54	0.46	0.60	0.51	(0.04)	0.63	0.53	5.19

DISTRIBUTIONS HISTORY

DISTRIBUTIONS (%)

Financial Yr	Sep	Dec	Mar	Jun	YTD
2026–27	–	–	–	–	–
2025–26	1.39	1.23	1.23	1.40	5.37
2024–25	0.73	1.50	1.52	1.37	5.21

Past performance is not an indicator of future performance. The value of an investment and its return may rise and fall with changes in the market.

[1]Return of capital and target return are not guaranteed. The investment objective is not a forecast, it is only an indication of what the investment strategy of BLIS aims to achieve. It may not be achieved.

[2]BLIS aims to distribute quarterly income. Distributions are not guaranteed and may be subject to the Responsible Entity's discretion. Positive distributions may not represent a positive return.

[3]Net return (after fees) is calculated using pre-distribution month end withdrawal unit prices and assumes distribution reinvestment.

[4]Arithmetic spread to RBA Cash Rate.

[5]Inception date is 16 August 2024.

[6]Partial month, from 16 to 31 August.

[7]Refer to section 6 of the PDS.

[8]Average Credit Rating (ACR) is calculated by assigning sequential integers to all credit ratings AAA to Not Rated, with cash treated as AAA, and taking a weighted average by market value. The result is rounded to the nearest rating. ACR is a descriptive measure and does not indicate portfolio default risk.

[9]Running yield is the weighted average coupon income of the portfolio (including cash) relative to clean market prices as at the report date. Running yield only reflects the fund's coupon income and does not take into account capital gains/losses on receipt of principal.

[10]Discount margin is the weighted average expected return of the portfolio (including cash) above the reference rate (1-month BBSW) as at the report date.

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ABOUT THE MANAGER†

Barings Asset-Based Finance Australia (formerly Gryphon Capital Investments) is the Australian asset-based finance (ABF) investment platform of Barings, one of the world's leading alternative asset managers, with over US$502 billion in assets under management and more than 1,400 external clients and 2,000 professionals globally.

Barings ABF Australia forms part of Barings' Global ABF platform, which has approximately US$60 billion in assets under management and invests in residential, commercial and consumer asset-based investments across public and private markets.

The Australian ABF team is a leading participant in the domestic securitisation market, investing across the capital structure from AAA to below investment grade. The team is active across public term transactions, private warehouse facilities and whole loan investments, demonstrating longstanding market presence, deep sector expertise and a disciplined, active approach to portfolio construction and risk management.

† as at 30 June 2026

SNAPSHOT

APIR	OMF6430AU
Asset	Fixed Income, floating rate
NAV	A$644.0m
Unit Price	A$1.026
Management Fees and Costs[7]	0.53%
Performance Fee	None
Distributions	Quarterly
Unit Pricing	Daily

CHARACTERISTICS

Average Credit Rating[8]	AAA
Running Yield[9]	6.13%
Discount Margin[10]	1.66%
RBA Cash Rate	4.35% pa
Interest Rate Duration	0.04 years
Credit Spread Duration	1.92 years
RMBS / ABS Exposure	80% / 15%

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COMMENTARY

PERFORMANCE

BLIS returned 0.49% net of fees in August, outperforming the RBA Cash Rate benchmark return of 0.37% and generating 0.12% excess return. Running yield at the end of the month was 6.13%. Since inception, the strategy has delivered an annualised net return of 5.73%, compared with 4.13% for the benchmark. The portfolio is defensively positioned with the usual AAA average credit rating and credit spread duration of just 1.92 years.

LIQUIDITY CONDITIONS

The Australian securitization market issued $7.5bn of new securities in August, distributed across both prime ($2.5bn) and non-conforming ($3bn) mortgage sectors, as well as other asset classes ($2bn) including auto loans and medical equipment. While there was some volatility in pricing for these deals, there was no clear trend, and spreads remain tight even as the primary pipeline continues to bring a seemingly never-ending stream of transactions to market.

Liquidity also remained strong in the secondary market, with dealers reporting two-way flows, and their volumes supplemented by a number of BWICs. Our trading with the Street this month reflected this, with tight bidding generally available from multiple dealers.

TRADING ACTIVITY

Gross trading turnover this month was around 15% as we actively repositioned the portfolio through a number of primary transactions as well as opportunistic trading in secondary markets.

With judicious security selection, we were able to increasingly tilt the portfolio towards prime collateral, while simultaneously reducing credit spread duration and increasing the average running yield of securities in the portfolio. Note that while portfolio running yield is slightly lower than last month this is due to a temporary larger cash allocation.

RELATIVE VALUE METRICS

While there was some volatility in the spreads on RMBS debt during August, the AA tranche of the month’s final deal priced at 170bps[a]. Compared to the spread on senior unsecured major-bank debt, which widened slightly over August, but still ended the month at 68bps[b], more than double the spread continues to be on offer for similarly rated securities in RMBS debt.

By now a familiar story, we see the same thing repeated at the single-A credit rating, where spreads of 190bps[a] are on offer for secured RMBS bonds, while the comparable spread for major-bank Tier 2 debt is in the area of 127bps[c]. We continue to believe that RMBS provides a dominant risk-return trade-off over the available alternatives.

CREDIT QUALITY

Key collateral measures remained stable compared to last month. 87% of the portfolio is backed by some form of real estate collateral, with a total of 90,272 loans. The average balance is approximately $528k, and no more than 1.6% of loans are in any single postcode. The average loan was close to two years old and was paying an interest rate of 7.35%.

The average indexed LVR of 63% means that, in the event of any default, there is a significant buffer of owner’s equity to absorb any loss on the sale of a property. Should this prove insufficient, the 1.12% average excess spread, and 10.8% average credit enhancement provide additional bondholder protections.

The proportion of loans in 90+ arrears fell slightly this month, from 93 bps to 89 bps. This was due to prime loan performance, which improved from 79 bps of loans in 90+ arrears to 58 bps (as the weight of this collateral increased from 41% to 44% of the portfolio). Arrears of both non-conforming and SME loans increased slightly.

[a] HRZAU 2026-1, 28 August 2026
[b] Westpac, 31 August 2026
[c] Westpac, 1 September 2026

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PARTIES

Responsible Entity
One Managed Investment Funds Limited
ACN 117 400 987 AFSL 297 042

Manager
Barings Australia Pty Ltd
ACN 140 045 656 AFSL 342 787

Sub-Advisor
Gryphon Capital Investments Pty Ltd
ACN 167 850 535 AFSL 454 552

Registry
One Registry Services Pty Ltd
ACN 141 757 360

AVAILABLE PLATFORMS INCLUDE

AMP North
Ausmaq/Clearstream
BT Panorama
CFS Edge
DASH
HUB24
Macquarie Wrap
Mason Stevens
Netwealth
Praemium

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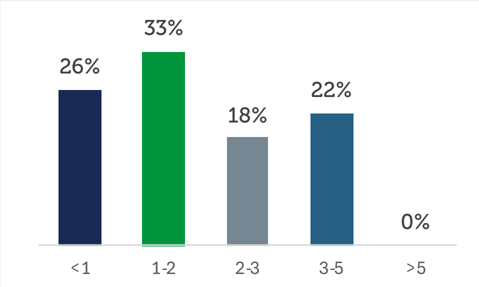
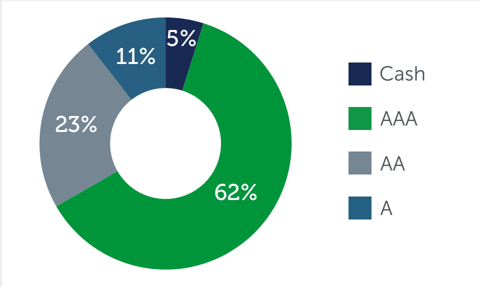
PORTFOLIO CONSTRUCTION

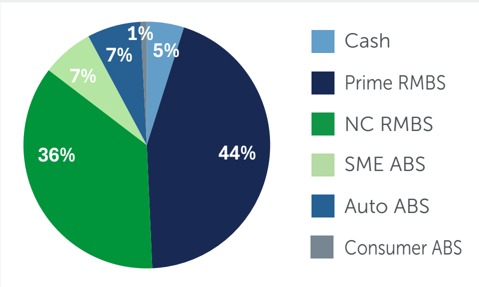
CREDIT SPREAD DURATION



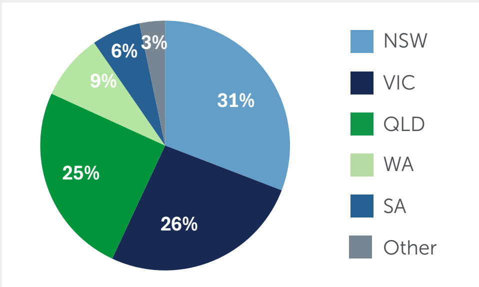
RATING BREAKDOWN



SECTOR ALLOCATIONS



GEOGRAPHIC DISTRIBUTION



CREDIT SPREAD DURATION x RATINGS BREAKDOWN

Weighted Average Life	Cash	AAA	AA	A	Total
0-1 Year	4.9%	6.8%	8.3%	6.5%	26.4%
1-2 Years	–	25.8%	3.8%	3.3%	32.9%
2-3 Years	–	11.3%	6.2%	0.8%	18.3%
3-5 Years	–	17.9%	4.5%	–	22.4%
>5 Years	–	–	–	–	–
Total	**4.9%**	**61.8%**	**22.8%**	**10.5%**	**100.0%**

Note: Numbers may not add up due to rounding

SECTOR x RATINGS BREAKDOWN

Sector	Cash	AAA	AA	A	Total
Cash	4.9%	–	–	–	4.9%
RMBS	–	51.5%	19.1%	9.9%	80.5%
ABS	–	10.4%	3.6%	0.6%	14.6%
Total	**4.9%**	**61.8%**	**22.8%**	**10.5%**	**100.0%**

SECTOR x CREDIT SPREAD DURATION BREAKDOWN

Sector	0–1 Year	1–2 Years	2–3 Years	3–5 Years	>5 Years	Total
Cash	4.9%	–	–	–	–	4.9%
RMBS	18.2%	23.0%	17.3%	22.0%	–	80.5%
ABS	3.4%	9.9%	1.0%	0.4%	–	14.6%
Total	**26.4%**	**32.9%**	**18.3%**	**22.4%**	**–**	**100.0%**

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Registry
One Registry Services Pty Ltd
ACN 141 757 360

AVAILABLE PLATFORMS INCLUDE

AMP North
Ausmaq/Clearstream
BT Panorama
CFS Edge
DASH
HUB24
Macquarie Wrap
Mason Stevens
Netwealth
Praemium

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COLLATERAL SUMMARY *

	Total RMBS & SME	Prime RMBS	NC RMBS	ABS SME
Portfolio Allocation	87%	44%	36%	7%
Collateral				
No. of Underlying Loans	90,272	67,026	16,447	6,799
Max % of Loans in Single Postcode	1.6%	1.6%	1.5%	1.6%
Weighted Average Underlying Loan Balance	$528,513	$425,372	$650,044	$557,490
% Loans > $1.5m Balance	11.0%	5.7%	15.8%	20.5%
Weighted Average Interest Rate	7.35%	7.05%	7.52%	8.41%
Weighted Average Seasoning	23 months	27 months	17 months	35 months
Weighted Average Remaining Loan Term	28 years	28 years	28 years	26 years
Key Bondholder Protections				
Weighted Average Indexed Current LVR^	63%	61%	65%	60%
Weighted Average Excess Spread	1.12%	0.83%	1.39%	1.52%
Weighted Average Credit Enhancement	10.8%	7.5%	12.3%	24.6%
Performance				
90+ Days in Arrears as % of Loans	0.89%	0.58%	1.34%	0.48%

*Collateral data as at prior month-end
^LVR based on the indexed value of the dwelling

DEFINITIONS

ASSET SECTORS

Prime RMBS	Secured by a diversified pool of first-ranking mortgage loans to prime borrowers backed by residential properties.
Non-Conforming RMBS (NC RMBS)	Secured by a diversified pool of first-ranking mortgage loans backed by residential properties made to borrowers that would not typically qualify for a Prime loan. Borrowers may not qualify as they are self-employed, seeking a large loan size, don't have required proof of income, or have a few dents in their credit records.
ABS SME	Secured by a diversified pool of first-ranking mortgage loans to self-managed superannuation, companies or individual borrowers, backed by small ticket commercial or residential properties.
ABS Auto	Secured by a diversified pool of first-ranking Australian automotive lease and loan receivables.
ABS Consumer	Secured by a diversified pool of unsecured and secured personal loans extended to borrowers located in Australia.

METRICS

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Discount Margin is the weighted average expected return of the portfolio (including cash) above the reference rate (1-month BBSW) as at the report date.

Running Yield is the weighted average coupon income of the portfolio (including cash) relative to clean market prices as at the report date. Running yield only reflects the fund's coupon income and does not take into account capital gains/losses on receipt of principal.

Excess Spread is the net interest margin, the difference between the interest paid by mortgage holders and the interest owed to bondholders, the first buffer for any losses in case of mortgage default.

Credit Enhancement is the proportion of each deal in bonds subordinate to the security held by BLIS, and hence the degree of loss required (beyond excess spread) for BLIS to suffer capital loss.

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